BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2014-422-EG - ORDER NO. 2014-962

DECEMBER 2, 2014

IN RE: Application of South Carolina Electric & Gas
Company for Waiver of Bid Requirement to
Transfer Real Property between South
Carolina Electric & Gas Company and the
City of Cayce

ORDER APPROVING
CHARITABLE
DONATION OF REAL
PROPERTY AND
WAIVING COMPETITIVE
BID PROCESS

This matter comes before the Public Service Commission of South Carolina ("Commission") on a request by South Carolina Electric & Gas Company ("SCE&G" or the "Company") for approval to make a charitable contribution of real property to the City of Cayce ("the City") and to waive the bidding requirement of Order No. 92-931 (dated November 13, 1992).

According to the Application, SCE&G seeks to donate and transfer to the City of Cayce some 360 acres of real property near SCANA's Administrative Offices in an annexed area of the City near the intersection of 12th Street and Interstate 77 ("SCE&G Tract"). The SCE&G Tract is classified as non-utility property, and is therefore not in the Company's rate base. Approximately 97% of the property is located within the Federal Emergency Management Administration Floodway ("FEMA Floodway").

Also, the SCE&G Tract is known as the "12,000 Year History Park" because the area is said to contain the archaeological remnants of at least 12,000 years of human activity in the Columbia area, including Native American relics, a colonial-era fort and

trading post and intact Civil War earthworks. Because of the amount of acreage in the FEMA Floodway, and the cultural significance of the 12,000 Year History Park, the Company states that the property cannot be commercially developed. SCE&G notes also that it has no intended use for the property.

According to the Company, discussions between SCE&G and the City of Cayce reveal that the City has a strong interest in preserving the land and making it accessible to the public. The City also plans to construct a visitor's center. In furtherance of the City's preservation efforts, SCE&G wishes to donate the SCE&G Tract to the City of Cayce.

Commission

Order No. 92-931 requires that SCE&G must engage in a competitive bidding process if it seeks to engage in the sale of real property worth in excess of \$50,000. The purpose of this bidding requirement is to protect against affiliate preferences and to insure that SCE&G disposes of real property in a manner which promotes fair and equitable treatment of the parties to the transaction, potential bidders, and SCE&G customers.

In the present case, SCE&G has no future plans or current use for the SCE&G tract. Furthermore, the City, to whom the charitable contribution will be made, is not affiliated in any manner with SCANA or any of its subsidiaries. SCE&G states a belief that these circumstances encompass the fair and equitable considerations prescribed in Order No. 92-931. Accordingly, SCE&G requests that this Commission authorize the Company to make a charitable contribution of the property to the City of Cayce without engaging in the competitive bid process described in Order No. 92-931.

Under the facts presented here, we find that the public interest will be served by

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an order waiving the competitive bid requirement contained in Order No. 92-931 and approving the charitable contribution of the SCE&G Tract to the City of Cayce. Therefore, we grant SCE&G's request for waiver of the bidding requirement and approve the charitable contribution of the SCE&G Tract to the City of Cayce as filed.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

Nikiya Han, Chairman

ATTEST:

Swain E. Whitfield, Vice Chairman

(SEAL)